



ASX RELEASE

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**TITANIUM SANDS LIMITED**

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ASX: TSL

## COMPANY UPDATE

### ACQUISITION TENURE

Titanium Sands Ltd (“TSL” or “The Company”) has previously announced (ASX:TSL 24/9/19) the proposed acquisition of a group of companies that hold a substantive 38km<sup>2</sup> tenure package that holds an inferred mineral resource of 32Mt of HMS at 7.45%<sup>1</sup> (“Acquisition Tenure”) (Figure 1) and which complements the Company’s existing extensive tenure at Mannar Island in North West Sri Lanka.

The Company advises that the Notice of Extraordinary General Meeting seeking various shareholder approvals for the Company to proceed with the proposed acquisition is currently in the process of obtaining the necessary approvals from the ASX and ASIC, and will be despatched to shareholders once approved. It is anticipated approval will be given in the coming weeks at which time the Company will be able to announce the date for the Extraordinary General Meeting (“EGM”) to seek the shareholder approvals necessary to conclude the acquisition.

### MANNAR PROJECT

RC aircore drilling is continuing at the Company’s existing Mannar Island licenses as previously announced (ASX:TSL 27/9/19). The resource infill and extension drilling is targeting beneath the water table under parts of the shallow resource drilling. The Company also expects to announce a resource update for the shallow surface exposed high-grade resource situated above the water table in about 4 to 6 weeks.

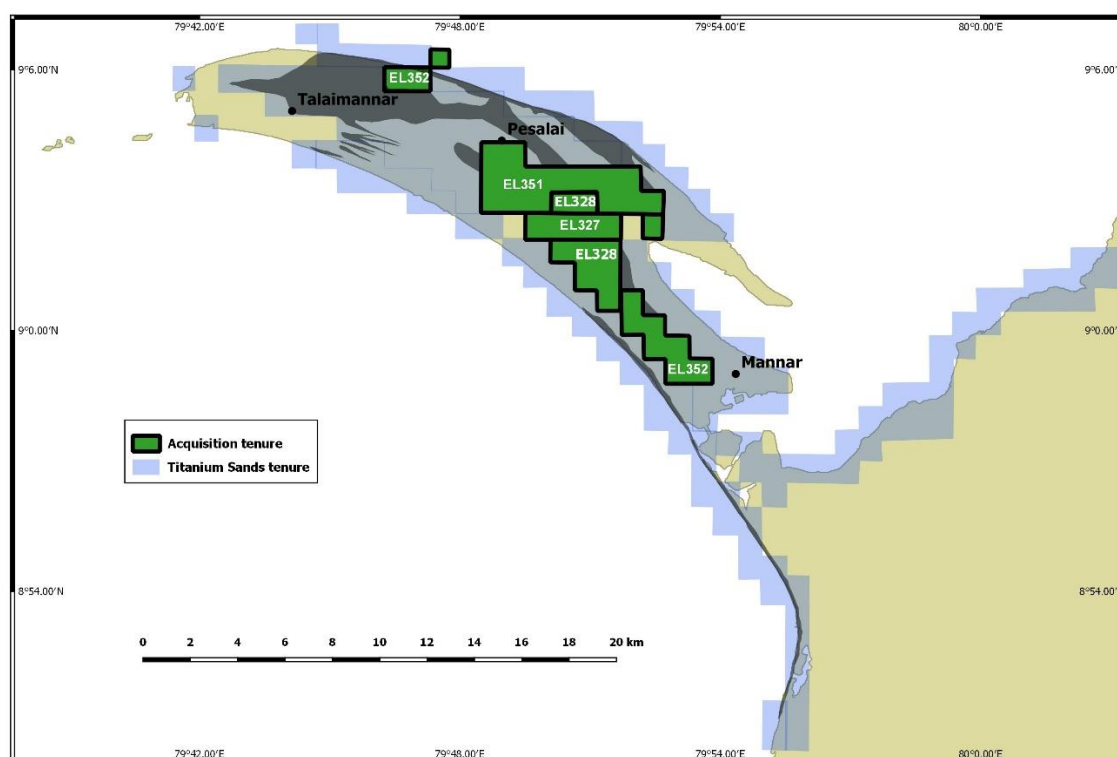
As outlined in the TSL prospectus (ASX:TSL 29/3/18), the Company is pleased to announce that 133,333,333 Class C Performance Shares (“Class C Performance Shares”) issued to the vendor of the Mannar Island licences will convert to 133,333,333 fully paid ordinary shares in TSL (“Shares”) on or about the time of the AGM. The Milestone for the Class C Performance Shares to convert into Shares is the Company achieving a Mineral Resource of 70 million tonnes of heavy mineral content of not less than 5% discovered (or equivalent tonnage to heavy mineral content discovered ratio. For example, 35 million tonnes of heavy mineral content of not less than 10% discovered). The Milestone was formally achieved on the announcement of the resource upgrade confirming an inferred mineral resource of 53.08Mt @ 6.7%<sup>1</sup> (ASX:TSL 11/2/19), however, it had been agreed between the vendor and the Company at the time to wait for the next resource upgrade before converting the Class C

Performance Shares into Shares and to convert the Class C Performance Shares into Shares at that time. The Company anticipates the next resource upgrade before or around the time of the AGM and will convert the Performance Shares into Shares at that time.

## CORPORATE

The Company is also pleased to announce the appointment of CPS Capital Group (“CPS”) as the Company’s Corporate Advisor. CPS were appointed the managing lead broker (ASX:TSL 19/9/18) to the Company’s successful prospectus raise in 2018 and have been a constant supporter of TSL since reinstatement to trading in December 2018. Under the terms of the mandate CPS will be engaged for a minimum term of 12 months on standard commercial terms including the issue of 10,000,000 fully paid ordinary shares in the Company to CPS (or their nominee). The Company has sought shareholder approval for the share issue to CPS pursuant to ASX Listing Rule 7.1 at the upcoming AGM. The Notice of Meeting for the AGM has been sent to shareholders today, to be held on Tuesday 26 November 2019.

TSL Managing Director Dr James Searle said *“It is a great step forward for the company to complete the Due Diligence for the proposed acquisition of the further Mannar tenure and to appoint CPS Capital as TSLs corporate advisor. Assuming the Company obtains the various approvals of the Company’s shareholders necessary to complete the proposed acquisition of the further Mannar tenure, and completion of that acquisition occurs, the growth of the Company over the last 12 months in terms of mineral resource increase from 10.3Mt to 85Mt<sup>1</sup>, is outstanding and indicative of what the company aimed to achieve from day one. Now with the additional formal support and direction of CPS, TSL hopes to continue to deliver continuing good news by way of both further resource upgrades and Company growth in the coming 12 months”*.



**Figure 1 Existing Titanium Sands Ltd tenure over the Mannar Island Project and the Acquisition Tenure.**

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## COMPLIANCE STATEMENTS

### *Forward-Looking Statements*

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should", "further" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward- looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in additional Mineral Resources.

<sup>1</sup> Refer to the ASX announcement on 11 February 2019 and 18 September 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the mineral resource estimate in the relevant market announcements continue to apply with respect to the resource block model and total heavy mineral content and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the relevant original market announcement.